



STATE MINING AND GEOLOGY BOARD

EXECUTIVE OFFICER'S REPORT



ARNOLD
SCHWARZENEGGER
GOVERNOR

For Meeting Date: December 11, 2008

Agenda Item No. 4: Acceptance of California Geological Survey Special Report 206 on Mineral Land Classification for Portland Cement Concrete-Grade Aggregate in the San Bernardino Production-Consumption Region, San Bernardino and Riverside Counties, California.

INTRODUCTION: The State Mining and Geology Board (SMGB), based on recommendations from the State Geologist and public input, prioritizes areas to be classified and/or designated. California Geological Survey (CGS) Special Report 206 updates information previously presented in a classification report on Portland cement concrete-grade (PCC) aggregate in the San Bernardino Production-Consumption (P-C) Region first published in 1984. The previous report was published by the California Division of Mines and Geology (CDMG; now CGS) as Special Report 143, Part VII (SR 143, Part VII) – *Mineral Land Classification of the Greater Los Angeles Area, Part VII, Classification of Sand and Gravel Resources Areas, San Bernardino Production-Consumption Region*. Should certain criteria be met, the State Geologist may recommend acceptance of the report by the SMGB. The SMGB is considering accepting the updated report for the classification of mineral resource land for this area.

REGULATORY ASPECTS: Pursuant to PRC 2761(b), *"In accordance with a time schedule, and based upon guidelines adopted by the board, the State Geologist shall classify, on the basis solely on geologic factors, and without regard to existing land use and land ownership, the areas identified by the Office of Planning and Research, any area for which classification has been requested by a petition which has been accepted by the board, or any other areas as may be specified by the board, as one of the following:*

- (1) Areas containing little or no mineral deposits.*
- (2) Areas containing significant mineral deposits.*
- (3) Areas containing mineral deposits, the significance of which requires further evaluation."*

In accordance with the SMGB's "Guidelines for Classification and Designation of Mineral Lands", the State Geologist may periodically review mineral land classification information in defined study regions to determine if reclassification of the area is necessary, and whether the projected requirements for construction materials for the next 50 years should be revised. The State Geologist subsequently reports the results of such review to the SMGB together with recommendations.



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The SMGB may direct the State Geologist to reexamine mineral lands already classified on the basis of the State Geologist's recommendations, or for other reasons. Any resulting reclassification is treated in the same manner as the original classification, and employs the same marketability and threshold criteria. If these criteria are met, the State Geologist will recommend acceptance of the reclassification report by the SMGB. The 50-year period for purposes of estimating marketability will begin at the time of reclassification.

BACKGROUND: The SMGB, in the fall of 2006, and more recently at its June 14, 2007 Regular Business Meeting, heard a report from SMGB staff on the Mineral Land Classification and Designation Program under the Surface Mining and Reclamation Act of 1975 (SMARA). At its September 13, 2007 Regular Business Meeting, CGS provided a schedule and prioritized program of current and planned activities for mineral land classification and associated projects. The update of the report for the San Bernardino P-C Region was considered high priority.

The updated report presented the following conclusions:

- The permitted reserves are projected to last until the year 2024, 16 years from present (2008).
- Two new areas, Sectors J and K, are identified. Sector J contains a total of 334 million tons of additional aggregate resources. The resource figure for Sector K is proprietary.
- About 18 percent, or 4,427 acres, of the 24,656 acres of lands designated by the SMGB in 1987 has been lost to land uses incompatible with mining. This equates to 959 million tons of PCC-grade aggregate resources lost.
- The anticipated consumption of aggregate in the San Bernardino P-C Region for the next 50 years (through the year 2057) is estimated to be 1,131 million tons, of which 735 million tons must be PCC quality. This is more than twice the previous 50-year projection.
- There remains an estimated 5,986 million tons of unpermitted PCC-grade aggregate resources in the San Bernardino P-C Region.
- From 1987 to 2007, about 109 million tons of new PCC-grade aggregate reserves have been permitted.

Based on this preliminary review, the State Geologist has recommended acceptance by the SMGB of this updated mineral land re-classification report.



EXECUTIVE OFFICER'S RECOMMENDATION: Based on the information presented by the State Geologist, the Executive Officer concludes that the updated re-classification report for the San Bernardino P-C Region was prepared in accordance with the SMGB's guidelines, and recommends that the SMGB accept the report.

SUGGESTED MOTION LANGUAGE:

To Accept CGS Special Report 206 on Update of Mineral Land Re-Classification:

Mr. Chairman, in light of the information before the Board today, I move that the Board accept CGS Special Report 206 on the Update of Mineral Land Classification for Portland Cement Concrete-Grade Aggregate in the San Bernardino Production-Consumption Region, San Bernardino and Riverside Counties, California.

Respectfully submitted:

Stephen M. Testa
Executive Officer

